FILE COPY

Office-Supreme Court, U. S.
FILED
MAY 14 1937
CHARLES ELMORE CROPLEY
CLERK

No. [redacted] 62

IN THE

SUPREME COURT OF THE UNITED STATES

October Term, 1936.

TEXTILE MACHINE WORKS,
Petitioner,

vs.

LOUIS HIRSCH TEXTILE MACHINES, INC.,
Respondent.

Petition for Writ of Certiorari and Brief in Support thereof.

HUBERT HOWSON,
Counsel for Petitioner.

Lawyers' Book Printing Co., 825 Walnut St., Phila., Pa., Walnut 3781.

SUBJECT INDEX.

	Page
PETITION	1
SUMMARY STATEMENT OF THE MATTER INVOLVED	2
REASONS FOR GRANTING THE WRIT	5
BRIEF	6
OPINIONS OF THE COURTS BELOW	6
JURISDICTION	6
STATEMENT OF THE CASE	6
SPECIFICATION OF ERRORS	7
ARGUMENT	7
CONCLUSION	9

INDEX OF CASES CITED.

	Page
Bates vs. Coe, 98 U. S., 31	9
Carnegie Steel Co. vs. Cambria Iron Co., 185 U. S., 404	9
Diamond Rubber Co. vs. Consolidated Company, 220 U. S., 428	8
Hobbs vs. Beach, 180 U. S., 383 (392)	8
National Cash Register Co. vs. Boston Cash Indicator & Recorder Co., 156 U. S., 502 (514)	8
Topliff vs. Topliff, 145 U. S., 156	9
Webster Loom Co. vs. Higgins, 105 U. S., 508	9
H. C. White & Co. vs. Morton E. Converse & Son Co., 20 Fed. (2nd), 311	8

STATUTES CITED.

Sec. 240 (a) of Judicial Code (28 U. S. C. A. 347)	6

IN THE

Supreme Court of the United States

October Term, 1936.

TEXTILE MACHINE WORKS,
Petitioner,

vs.

LOUIS HIRSCH TEXTILE MACHINES, INC.,
Respondent.

PETITION FOR WRIT OF CERTIORARI.

To the Honorable Chief Justice and the Associate Justices of the Supreme Court of the United States:

Your Petitioner, Textile Machine Works, prays for a Writ of Certiorari to the United States Circuit Court of Appeals for the Second Circuit to review a judgment of that Court entered in this suit on February 1, 1937 (Rec. p. 927, Vol. II). Petition for rehearing was later filed (Rec. p. 933, Vol. II) and was denied March 2, 1937 (Rec. p. 945, Vol. II). A certified transcript of the Record in the case, including the proceedings in said Circuit Court of Appeals, has been filed herewith in compliance with Rule 38 of the Rules of this Court.

Summary and Short Statement of the Matter Involved.

This is a suit in equity brought by Petitioner against Respondent in the United States District Court for the Southern District of New York for infringement of Claims 1, 3, 14 and 15 of Letters Patent No. 1,713,628, issued May 21, 1929, for an Attachment for Flat Knitting Machines.

Respondent in its Answer raised numerous defenses, attacking the patent for insufficiency of disclosure, anticipation, lack of invention in view of certain prior commercial structures, lack of utility, etc.; and also denied infringement. The suit came on for trial before the District Court (Walter C. Lindley, J.), and after an extended trial, the Court rendered its opinion (Rec. p. 877, Vol. II), overruling all of the defenses, sustaining the validity of the patent, and a decree was entered awarding injunction and reference for an accounting (Rec. p. 915, Vol. II).

On appeal to the Circuit Court of Appeals for the Second Circuit, that Court reversed the decree of the District Court and ordered the dismissal of the Bill on the ground of invalidity of the claims in suit for want of invention in view of two devices previously in use, referred to in the case as the "Gotham" attachment and the "Nusbaum" device. The Court's opinion is printed at Record, p. 927, Vol. II.

Prior to the trial of the instant suit, the patent in suit had been sustained by the United States District Court for the District of New Jersey and by the United States Circuit Court of Appeals for the Third Circuit in a suit brought by Petitioner against Alfred Hofmann, Inc. In the Hofmann suit the defendant had raised substantially the same defenses above referred to, including the defense of lack of patentable invention in view of the "Gotham" and "Nusbaum" prior uses. The case was fully tried before the District Court (John Boyd Avis, J.), and that Court rendered its opinion sustaining the patent as to the

claims in suit, namely Claims 1, 3, 14 and 15 (the same claims subsequently involved in the Hirsch suit at bar) and finding infringement (opinion 4 Fed. Suppl. 837). Decree was duly entered in accordance with the opinion. Upon appeal by the defendant, Alfred Hofmann, Inc., to the United States Circuit Court of Appeals for the Third Circuit, that Court affirmed the decree. (For opinion, see 71 Fed. (2nd) 973.) The defense of lack of invention, overruled in the Hofmann suit in the Third Circuit and sustained in the instant case in the Second Circuit, was the same defense in both cases,—the evidence with respect to the "Gotham" and "Nusbaum" prior uses being stipulated into the instant case from the record in the Hofmann case. (See stipulation Rec. p. 23, Vol. I.) The Court of Appeals in the Second Circuit refused to follow the decisions in the Third Circuit involving the same patent, the same claims of that patent, and substantially the same record so far as concerns the said particular defenses. There is thus a clear case in which "a circuit court of appeals has rendered a decision in conflict with the decision of another circuit court of appeals on the same matter".

As appears from the opinion of the Circuit Court of Appeals in the instant case, that Court having reached the conclusion that the claims in suit are invalid for want of invention, found it unnecessary to pass on the other defenses which had been overruled in the Third Circuit but again presented to the Courts of the Second Circuit in the instant case.

The invention is an attachment for full-fashioned hosiery machines whereby hosiery knitted on such machines may be provided with ornamental designs known as "clocks" and the like. Illustrations of this work may be seen at Rec. pp. 518-523, Vol. II. The claims in suit cover combinations of the essential mechanical elements of the attachment and cooperating parts of the knitting machine.

The "Gotham" prior use device was an attachment for use in the full-fashioned hosiery machine for supplying hosiery with a certain type of reinforcement. This device employed some of the elements of the combination of the patent in suit, but differed therefrom in purpose, functioning of the parts, mode of operation and in results.

The "Nusbaum" prior use device was a machine for making underwear and bathing suits (not hosiery). It was employed for making a limited class of designs on garments, but by means inherently incapable of application to the full-fashioned hosiery machine, and it fell far short of meeting the combinations of the patent in terms or in substance.

The attachment of the patent in suit has had an unusual record of commercial success, and is recognized in the industry as a valuable adjunct to the full-fashioned hosiery machine.

In the litigation in the Third Circuit (the Hofmann suit) both the District Court and the Court of Appeals overruled the defense of lack of invention in view of "Gotham" and "Nusbaum" and sustained the patent.

In the instant suit in the Second Circuit (the Hirsch suit) the District Court also overruled the defense, but the Court of Appeals reached the opposite conclusion and found lack of invention in view of "Gotham" and "Nusbaum".

In finding lack of invention in view of "Gotham" and "Nusbaum", the Court of Appeals in the instant case sought to combine two unrelated devices which could not be combined, and were such combination possible, the resulting hypothetical device would still be incapable of accomplishing most of the work for which the attachment of the patent in suit has proved of value. Under these circumstances, the selection and combining of separate elements from different prior structures to render noninventive the patentee's device is believed to be contrary

to the weight of authority and to the applicable decisions of this Court.

Reasons for Granting the Writ.

The discretionary power of this Court is invoked upon the following grounds:

1. The decision of the Circuit Court of Appeals for the Second Circuit is in real and direct conflict with a decision of the Circuit Court of Appeals of the Third Circuit on the question of validity of the same claims of the same patent.

2. The decision of the Circuit Court of Appeals of the Second Circuit in the instant case appears to be in conflict with the weight of authority and the applicable decisions of this Court on an important question of patent law.

Wherefore, your Petitioner respectfully prays that a Writ of Certiorari be issued to the United States Circuit Court of Appeals for the Second Circuit, to the end that this cause may be reviewed and determined by this Court; that the judgment of the Circuit Court of Appeals be reversed; and that Petitioner be granted such other and further relief as may be proper.

Hubert Howson,
Counsel for Petitioner.

BRIEF IN SUPPORT OF THE PETITION FOR WRIT OF CERTIORARI.

Opinions of the Court Below.

The opinion of the District Court for the Southern District of New York, written by Judge Lindley, appears at page 877 of Volume II of the Record. It is reported in 13 Fed. Suppl., page 476. The opinion of the Circuit Court of Appeals for the Second Circuit (Circuit Judges Learned Hand, Swan and Augustus N. Hand), written by Judge Learned Hand, appears at page 927 of Volume II of the Record. It is reported in 87 Fed. (2nd), page 702.

The opinion of the District Court for the District of New Jersey in the Hofmann suit, written by Judge Avis, is reported in 4 Fed. Suppl. page 837. The opinion of the Circuit Court of Appeals for the Third Circuit in the Hofmann suit (Circuit Judges Buffington, Woolley and Davis), written by Judge Buffington, is reported in 71 Fed. (2nd), page 973.

Jurisdiction.

The jurisdiction of this Court is invoked under Section 240(a) of the Judicial Code as amended by the Act of February 13, 1925; c. 229 (28 U. S. C. A., Sec. 347).

The decree of the Circuit Court of Appeals which Petitioner seeks to have reviewed was entered February 1, 1937, (Rec. p. 927, Vol. II). Thereafter a Petition for Rehearing was filed, which was denied on March 2, 1937, (Rec. p. 945, Vol. II).

Statement of the Case.

The essential facts of the case are stated in the accompanying Petition for Writ of Certiorari and need not be repeated here.

Specification of Errors.

If the Writ of Certorari is issued, Petitioner intends to urge that the Circuit Court of Appeals for the Second Circuit erred:

1) In holding Claims 1, 3, 14 and 15 of the patent in suit invalid for want of invention;

2) In reversing the decree of the District Court holding the patent in suit as to Claims 1, 3, 14 and 15 thereof valid and infringed;

3) In failing to affirm the decree of the District Court holding the patent in suit as to Claims 1, 3, 14 and 15 thereof, valid and infringed.

Argument.

1. The patent in suit is valid.

On the full-fashioned machine stockings are knit in the form of flat blanks, which blanks are doubled and sewed to form the stockings.

In this type of knitting machine (for a general view see Rec. p. 558, Vol. II) the yarn is delivered to the needles through yarn guides mounted on reciprocatory carrier bars. These bars are illustrated at 6 in Fig. 2 of the patent in suit (Rec. p. 495, Vol. II). Each carrier bar carries one guide for each section of the machine throughout its length, and the total reciprocating movement of the carrier bars is approximately the width of a single section, the extent of movement being controlled by adjustable stops at the ends of the machine.

Whereas in the ordinary operation of the knitting machine, the yarn guides are controlled only by the end stops and lay the yarn over the full width of the fabric being knitted, that is, from selvage to selvage, the purpose of the attachment is to furnish accurate control for yarn guides *laying a yarn over a distance less than the full*

length of a course being knitted; and this is done for laying in the extra yarn to form the designs such as those illustrated in the pictures on pages 518-523, Vol. II, Rec.

The attachment as covered by the claims in suit involves, in combination with the reciprocating yarn guide carrier bars of the full-fashioned machine, a pair of stops for the carrier bars (these stops being auxiliary stops as distinguished from the regular end stops on the machine); a reversely threaded spindle for moving the stops toward and from each other; means for turning the spindle in either direction; pattern-controlled means for determining the time of operation of the spindle; and pattern-controlled means for determining the direction of rotation.

As stated in the petition, neither the "Gotham" device, nor the "Nusbaum" device, alone or together, met the claims in suit, nor did they meet the purposes or accomplish the results of the patented attachment.

(a) The patentee of the patent in suit produced a new combination, and thereby provided for the full-fashioned hosiery machine, for the first time in the history of the art, a simple efficient, new attachment for accomplishing a wide variety of work never before accomplished by any single device. The new combination involved novel functions for such elements as were old and the accomplishment of new results.

Cases supporting the claim to patentable invention under these circumstances are Diamond Rubber Co. vs. Consolidated Company, 220 U. S., 428; National Cash Register Co. vs. Boston Cash Indicator & Recorder Co., 156 U. S., 502 (514); Hobbs vs. Beach, 180 U. S., 383 (392); H. C. White & Co. vs. Morton E. Converse & Son Co., 20 Fed. (2nd), 311.

(b) As stated in the petition, the Court of Appeals found lack of invention by piecing together elements from

non-related prior devices. Cases opposed to this practice are Bates vs. Coe, 98 U. S., 31; Topliff vs. Topliff, 145 U. S., 156; Carnegie Steel Co. vs. Cambria Iron Co., 185 U. S., 404; Webster Loom Co. vs. Higgins, 105 U. S., 508.

That the Courts of Appeal of the Second and Third Circuits are in direct conflict on the question of the validity of the patent in suit; as to the same claims (1, 3, 14 and 15); on the identical issue of patentable invention, and on substantially the same evidence is clear from what has already been pointed out in the petition.

Conclusion.

We submit that the question in conflict between the Courts of Appeal is one which should be resolved by this Court, and it is urged that the petition for a Writ of Certiorari be granted.

Respectfully,

Hubert Howson,
Counsel for Petitioner.